

24 February 2003

Subject: USAID Consultations on Iraq Contingency Planning

In follow-up to our initial discussion of USAID's contingency plans for Iraq, on Wednesday, February 19, 2003, the following provides requested information on program budgets, specifically ongoing and planned activities in the immediate term, i.e., through mid-to-late March 2003. Our response focuses only on those USAID-managed activities for which OMB has apportioned funds, which to date total \$154 million. These comprise:

- \$32.5 million for Emergency Relief
- \$40 million for Food Aid
- \$80 million for Reconstruction
- \$1.5 million for Transition Initiatives

1. Emergency Assistance: \$32.5 million (IDA funds)

USAID's Office of Foreign Disaster Assistance (OFDA) is focusing on providing basic emergency needs to Iraq, including support to Internally Displaced Persons (IDPs) as well as restoration of basic services (health, nutrition, water and sanitation, and shelter). OFDA has committed \$26.5 million for the purchase and pre-positioning of non-food relief commodities, and for assistance to U.N. agencies and NGOs, as follows:

- Pre-positioning of relief commodities (\$17.3 million).
- Support to UN agencies, including \$2 million to UNICEF for emergency health kits, and nutrition and water/sanitation activities; \$5 million to the World Food program (WFP) for food and logistics measures, including telecommunications, air transport, and coordination; and \$1 million to the U.N.'s Office for the Coordination of Humanitarian Affairs (OCHA) for NGO and donor coordination.
- Support to NGOs, including \$900,000 to Save the Children/U.S. to establish a consortium comprising Save the Children, International Rescue Committee, Mercy Corps, and World Vision, for an Emergency Preparedness Initiative; \$200,000 to the International Medical Corps to conduct chemical/biological/radiological/nuclear training for other NGOs; and \$100,000 to InterAction to fund an NGO observer to the Humanitarian Operations Center in Kuwait.

OFDA has also spent approximately \$1 million for staff preparedness and administrative coordination for equipment, training, and pre-deployment travel for a Disaster Assistance Response Team (DART), which will have multiple field offices in the region.

2. Food Aid: \$40 million (IDA funds)

USAID anticipates that Iraq's normal Oil-for Food rationing mechanism, on which most Iraqis are dependent, will be disrupted in the event of hostilities in Iraq. An alternative

management structure and perhaps food supplies would therefore be required during an estimated four-month interim period until the Oil-for-Food program is resumed. The WFP is best suited to manage the logistics of supplying nearly 600,000 metric tons of food per month to 25 million people. A WFP proposal, which is now being reviewed, indicates they will need an initial \$35 million to begin mobilizing staff, contracting for fuel, procuring supporting equipment, and providing for other logistics needs to ensure that food gets to populations in need.

USAID also anticipates that U.N. international staff will be evacuated during a conflict. Prior to their return, food teams, contracted by USAID at an initial cost of \$5 million, will be sent to the region to jump-start the rationing system. Working with Civil Affairs of the U.S. military, these teams will locate and secure mills and warehouses, identify the food agents currently responsible for distributing rations, and put in place the next steps to re-establish the rationing system.

### 3. Reconstruction: \$80 million (\$40 million in CSH and \$40 million in IDA funds)

With reference to the "Vision for Post-Conflict Iraq" materials distributed to you during our February 19<sup>th</sup> discussion, USAID-managed assistance to the Iraq Reconstruction effort will start simultaneously with and will support other emergency humanitarian and relief activities. Immediate priorities include:

- Water/Sanitation and Public Health Activities (\$40 million in CSH funds)

USAID's immediate goals are (1) to re-establish potable water and sanitation services in order to prevent disease outbreaks and protect the health of the Iraqi population; and (2) to ensure that basic health care needs of all Iraqis are met, including immunizations, maternal health, treatment of all major childhood illnesses, emergency and primary response to illness and trauma, and referral of more serious cases.

On water and sanitation, the immediate post-conflict response will focus on furnishing rubber water bladders, purification equipment, and generators to power water system pumps (as necessary) for up to one million displaced persons. Rapid assessments of water and sanitation needs will be initiated immediately, area by area, as security permits. Steps will also be taken to reactivate commercial water imports and water delivery by tank trucks as quickly as possible.

On the public health side, the immediate post-conflict response will focus on delivery of medicines and surgical supplies to treat injured civilians, control outbreaks of disease, and operate medical facilities; and to furnish basic health care services to at least 25% of people in secure areas. USAID will also ensure coordination of water deliveries to hospitals and clinics, and undertake a complete assessment of the health care system.

Negotiations are in progress for a contractor, and the ICRC, UNICEF, and WHO, to meet these critical needs, with awards expected during the February 28 – March 7 period. Of

the \$40 million currently available, USAID estimates initial obligations of approximately \$21 million in grants and \$19 million in contracts.

- Infrastructure and related activities (\$40 million in IDA funds)

Immediate reconstruction will focus on restoring normalcy as quickly as possible, repairing and administering a critical seaport and airports, water/sanitation networks, transport networks (roads, bridges, railways), electrical services, and key irrigation systems. Ensuring that a key port and roads are open promptly for humanitarian use, along with all economically-important roads and bridges, is critical in the initial post-conflict stage. Damage assessments will be reviewed to prioritize reconstruction efforts. Priority will also be given to restoring electrical service to at least 75% of the population (the estimated pre-conflict level), ensuring that hospitals, pumping stations, and other key sites have emergency generators.

USAID will also begin preparations for reopening schools promptly in permissive areas; and lay the foundation for local government that ensures stability, meets citizens' needs, and promotes democracy.

USAID has awarded a contract to the International Resources Group (IRG) for overall personnel support. Negotiations are in progress for other contractors (with UNICEF in education) to meet these critical infrastructure and logistics needs, with awards expected during the February 28 – March 13 period.

#### 4. Transition Initiatives (\$1.5 million in TI funds)

The Office of Transition Initiatives (OTI) is preparing a robust and targeted transitional assistance program to assist in mitigating acts of reprisal and revenge; and to support high visibility projects that demonstrate positive change and the provision of balanced and accurate information. To meet these objectives OTI has committed the full \$1.5 million to fund a contract with Development Alternatives, Inc., (DAI) and a cooperative agreement with the International Organization for Migration (IOM) for assistance in planning and pre-positioning; and a grant to the Center for Strategic and International Studies to provide analysis and strategic development recommendations, as well as Personal Services Contracts for program staff.

USAID is also discussing with the State Department and OMB the use of \$40 million in Economic Support Funds (ESF) for humanitarian and relief activities not covered by the above apportionments.

Please let us know if you have any additional comments or questions. We look forward to continued consultations with you on our relief, rehabilitation, and reconstruction activities in Iraq.